

SENATE MOTION

MADAM PRESIDENT:

I move that Senate Bill 280 be amended to read as follows:

- 1 Page 14, delete lines 38 through 42, begin a new paragraph and
- 2 insert:
- 3 "SECTION 11. IC 6-1.1-17-3, AS AMENDED BY P.L.219-2007,
- 4 SECTION 49, AND AS AMENDED BY P.L.224-2007, SECTION 5,
- 5 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
- 6 [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The proper officers of a
- 7 political subdivision shall formulate its estimated budget and its
- 8 proposed tax rate and tax levy on the form prescribed by the
- 9 department of local government finance and approved by the state
- 10 board of accounts. The political subdivision shall give notice by
- 11 publication to taxpayers of:
- 12 (1) the estimated budget;
- 13 (2) the estimated maximum permissible levy;
- 14 (3) the current and proposed tax levies of each fund; and
- 15 (4) the amounts of excessive levy appeals to be requested.
- 16 In the notice, the political subdivision shall also state the time and
- 17 place at which a public hearing will be held on these items. The notice
- 18 shall be published twice in accordance with IC 5-3-1 with the first
- 19 publication at least ten (10) days before the date fixed for the public
- 20 hearing. Beginning in 2009, the duties required by this subsection must
- 21 be completed before August 10 of the calendar year. A political
- 22 subdivision shall provide the estimated budget and levy information
- 23 required for the notice under subsection (b) to the county auditor on the
- 24 schedule determined by the department of local government finance.
- 25 (b) Beginning in 2009, before August 10 of a calendar year, the
- 26 county auditor shall mail to the last known address of each person
- 27 liable for any property taxes, as shown on the tax duplicate, or to the
- 28 last known address of the most recent owner shown in the transfer
- 29 book, a statement that includes:
- 30 (1) the assessed valuation as of the assessment date in the current
- 31 calendar year of tangible property on which the person will be

liable for property taxes first due and payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under ~~IC 6-1.1-15-1(b)~~; IC 6-1.1-15-1(c);

(2) the amount of property taxes for which the person will be liable to each political subdivision on the tangible property for taxes first due and payable in the immediately succeeding calendar year, taking into account all factors that affect that liability, including:

(A) the estimated budget and proposed tax rate and tax levy formulated by the political subdivision under subsection (a);

(B) any deductions or exemptions that apply to the assessed valuation of the tangible property;

(C) any credits that apply in the determination of the tax liability; and

(D) the county auditor's best estimate of the effects on the tax liability that might result from actions of:

(i) the county board of tax adjustment (*before January 1, 2009*) or the county board of tax and capital projects review (*after December 31, 2008*); or

(ii) the department of local government finance;

(3) a prominently displayed notation that:

(A) the estimate under subdivision (2) is based on the best information available at the time the statement is mailed; and

(B) based on various factors, including potential actions by:

(i) the county board of tax adjustment (*before January 1, 2009*) or the county board of tax and capital projects review (*after December 31, 2008*); or

(ii) the department of local government finance;

it is possible that the tax liability as finally determined will differ substantially from the estimate;

(4) comparative information showing the amount of property taxes for which the person is liable to each political subdivision on the tangible property for taxes first due and payable in the current year; and

(5) the date, time, and place at which the political subdivision will hold a public hearing on the political subdivision's estimated budget and proposed tax rate and tax levy as required under subsection (a).

(c) The department of local government finance shall:

(1) prescribe a form for; and

(2) provide assistance to county auditors in preparing;

statements under subsection (b). Mailing the statement described in subsection (b) to a mortgagee maintaining an escrow account for a person who is liable for any property taxes shall not be construed as compliance with subsection (b).

(d) The board of directors of a solid waste management district

established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(e) **Except as provided in subsection (f)**, the trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(f) This subsection applies for taxes first due and payable after 2010 only to a county having a consolidated city and only if an ordinance is adopted and approved in the county under IC 36-6-1.2-2. The county trustee shall estimate the amount necessary to meet the cost of township assistance in each township in the county for the ensuing calendar year. The township assistance board shall:

- (1) adopt a township assistance budget for each township in the county;**
- (2) subject to IC 6-1.1-18.5-22(k), adopt a tax rate for each township in the county that is:**
 - (A) uniform throughout the township; and**
 - (B) sufficient to meet the estimated cost of township assistance in the township; and**
- (3) credit the taxes collected in the township as a result of the tax rate adopted under this subsection to the township assistance fund for the township established under IC 12-14-30-7.**

~~(f)~~ **(g)** A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

- (1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund.
- (2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund.

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.

SECTION 12. IC 6-1.1-18.5-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 22. (a) The ad valorem property**

1 tax levy limits imposed by this chapter do not apply to ad valorem
2 property taxes imposed by the following:

3 (1) A consolidated city to pay or fund any indebtedness
4 assumed, defeased, paid, or refunded under IC 36-3-1-6.1.

5 (2) A county or a district to pay or fund any indebtedness
6 assumed, defeased, paid, or refunded under IC 36-6-1.2-10.

7 (b) For purposes of this section:

8 (1) "consolidating entity" means:

9 (A) a township; or

10 (B) a fire protection territory;

11 whose fire department is consolidated into the fire
12 department of a consolidated city under IC 36-3-1-6.1; and

13 (2) "maximum levy" means the maximum permissible ad
14 valorem property tax levy under section 3 of this chapter.

15 (c) The maximum levy of a consolidated city for property taxes
16 first due and payable in 2009, 2010, and 2011 is the sum of:

17 (1) the maximum levy of the consolidated city for property
18 taxes first due and payable in 2009 determined without regard
19 to this section; plus

20 (2) the amount equal to the combined property tax levies of
21 each consolidating entity for property taxes first due and
22 payable in 2008 for fire protection and related services.

23 (d) If an ordinance is adopted and approved under IC 36-6-1.2-2
24 in a county containing a consolidated city, the maximum levy of the
25 county for property taxes first due and payable in 2011 is the
26 amount determined in the last STEP of the following STEPS:

27 STEP ONE: Determine without regard to this section the
28 maximum levy of the county for property taxes first due and
29 payable in 2011.

30 STEP TWO: Determine for each consolidating entity in the
31 county that is a township the maximum levy for property
32 taxes first due and payable in 2010.

33 STEP THREE: Determine for each consolidating entity in the
34 county that is a township the percentage of the township
35 property tax levy for taxes first due and payable in 2010 that
36 is not attributable to the payment of the items, awards, claims,
37 allowances, assistance, and other expenses associated with
38 township assistance.

39 STEP FOUR: Determine for each consolidating entity in the
40 county that is a township the product of:

41 (A) the STEP TWO result; multiplied by

42 (B) the STEP THREE result.

43 STEP FIVE: Determine the sum of the STEP FOUR results
44 for all consolidating entities in the county that are townships.

45 STEP SIX: Determine the sum of:

46 (A) the STEP ONE result; plus

47 (B) the STEP FIVE result.

48 (e) If an ordinance is not adopted and approved under

IC 36-6-1.2-2 in a county containing a consolidated city, the maximum levy of the county for property taxes first due and payable in 2011 is the sum of:

(1) the maximum levy of the county for property taxes first due and payable in 2011 determined without regard to this section; plus

(2) the amount equal to the combined property tax levies of each consolidating entity that is a township for property taxes first due and payable in 2010 attributable to the operations in those townships of township small claims courts.

(f) If an ordinance is adopted and approved under IC 36-6-1.2-2 in a county containing a consolidated city, the maximum levy of a consolidating entity that is a township for property taxes first due and payable after 2010 is zero (0).

(g) If an ordinance is not adopted and approved under IC 36-6-1.2-2 in a county containing a consolidated city, the maximum levy of a consolidating entity that is a township for property taxes first due and payable in 2011 is the remainder of:

(1) the maximum levy of the township for property taxes first due and payable in 2011 determined without regard to this section; minus

(2) the amount equal to the property tax levy of the township for property taxes first due and payable in 2010 attributable to the operations in the township of the township small claims court.

(h) The maximum levy of property taxes first due and payable in 2009 is reduced for each consolidating entity other than a township by the amount equal to the property tax levy of the consolidating entity for taxes first due and payable in 2008 for any services and operations for which responsibility is transferred to the consolidated city in 2009.

(i) The maximum levy of a consolidating entity that is a township for the township's firefighting fund for property taxes first due and payable after 2008 is zero (0).

(j) Subject to subsection (k), if an ordinance is adopted and approved under IC 36-6-1.2-2 in a county containing a consolidated city, the maximum levy of the township assistance district for property taxes first due and payable in 2011 is the amount equal to the combined property tax levies of all of the consolidating entities in the county that are townships for property taxes first due and payable in 2010 attributable to the payment of the items, awards, claims, allowances, assistance, and other expenses associated with township assistance.

(k) For property taxes first due and payable after 2010, the township assistance district shall levy property taxes each year in each consolidating entity that is a township in an amount not to exceed the amount that would be determined under section 3 of this chapter as a maximum permissible ad valorem property tax levy

for the township for the year if:

(1) the township was a civil taxing unit for which a maximum permissible ad valorem property tax levy is determined under section 3 of this chapter; and

(2) the civil taxing unit's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2010 for purposes of:

(A) STEP ONE of section 3(a) of this chapter; or

(B) STEP ONE of section 3(b) of this chapter;

was the amount equal to the property tax levy of the township for property taxes first due and payable in 2010 attributable to the payment of the items, awards, claims, allowances, assistance, and other expenses associated with township assistance.

(I) For purposes of determining the maximum levy of property taxes first due and payable in 2012 for an entity for which the maximum levy determined under this section for property taxes first due and payable in 2011 is greater than zero (0), the maximum levy to be used in:

(1) STEP ONE of section 3(a) of this chapter; or

(2) STEP ONE of section 3(b) of this chapter;

is the maximum levy determined under this section for the entity for property taxes first due and payable in 2011."

Delete pages 15 through 18.

Page 19, delete lines 1 through 22.

Page 21, line 40, delete "." and insert "and a township assistance district under IC 36-6-1.2."

Page 21, delete lines 41 through 42, begin a new paragraph and insert:

"SECTION 14. IC 12-14-30 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]:

Chapter 30. Township Assistance in a County Having a Consolidated City

Sec. 1. This section applies only to a county having a consolidated city.

Sec. 2. Notwithstanding any other law, if an ordinance is adopted and approved under IC 36-6-1.2-2, the office of township trustee and the township board of each township is abolished on January 1, 2011.

Sec. 3. Beginning January 1, 2011, township assistance shall be administered in the township assistance district by the:

(1) county trustee, selected under section 5 of this chapter, who is the executive of the township assistance district; and

(2) township assistance board, which is the legislative body of the township assistance district.

Sec. 4. (a) The township assistance board shall consist of nine (9)

1 members. One (1) member shall be elected under IC 3-10-2-13 by
2 the voters in each township.

3 (b) The members of the township assistance board shall be
4 elected in the general election in November 2010. The members'
5 terms shall begin January 1, 2011, and expire at the end of the day
6 on December 31, 2013.

7 (c) The term of office of a township assistance board member is
8 four (4) years, beginning January 1 after election and continuing
9 until a successor is elected and qualified.

10 Sec. 5. The county trustee during a calendar year is the member
11 of the township assistance board who represents the township in
12 the county in which the largest amount of property taxes was levied
13 for taxes first due and payable in the immediately preceding
14 calendar year for the payment of the items, awards, claims,
15 allowances, assistance, and other expenses associated with
16 township assistance.

17 Sec. 6. The county trustee and township assistance board shall
18 have the duties and responsibilities set forth in IC 12-20-1-5.

19 Sec. 7. (a) The township assistance district shall establish a
20 separate township assistance fund for each township in the county.

21 (b) The fund for a township is raised by a tax levy that is levied
22 annually by the township assistance district on all taxable property
23 in the township as described in IC 6-1.1-17-3(f).

24 (c) The tax imposed under this section shall be collected as other
25 state and county ad valorem taxes are collected.

26 (d) The following are paid into the township assistance fund of
27 a township:

28 (1) All receipts from the tax imposed under this section in the
29 township.

30 (2) Any other money required by law to be placed in the fund.

31 (e) The fund:

32 (1) is available for the purpose of paying in each township in
33 the county the expenses and obligations set forth in the annual
34 budget for that township adopted under IC 6-1.1-17-3(f); and

35 (2) may not be used for the purpose of paying expenses and
36 obligations of another township.

37 (f) Money in the fund at the end of a budget year does not revert
38 to any other fund.

39 Sec. 8. (a) A county trustee may not disburse any money or
40 incur any obligation in the furnishing of township assistance in
41 excess of the amount appropriated for that purpose.

42 (b) Appropriations for township assistance purposes must be
43 made in the manner provided by law for appropriations for other
44 purposes.

45 (c) When preparing the annual budget for a township, the
46 county trustee and the township assistance board shall set out in
47 the budget the amount of expenditures estimated to be reasonably
48 required for current township assistance in the following calendar

1 year. If the amount provided for township assistance in the annual
 2 budget as finally adopted and approved is insufficient to meet the
 3 requirements for that purpose, additional appropriations may be
 4 made in the manner provided by law for the making of additional
 5 appropriations for other purposes.

6 SECTION 15. IC 12-20-1-5 IS ADDED TO THE INDIANA CODE
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 8 1, 2008]: Sec. 5. (a) This section applies only to a county having a
 9 consolidated city.

10 (b) As used in this section, "district" refers to a township
 11 assistance district.

12 (c) Notwithstanding any other law, if an ordinance is adopted
 13 and approved under IC 36-6-1.2-2, the district is responsible for
 14 administering township assistance beginning January 1, 2011, on
 15 a township basis.

16 (d) The county trustee is the executive of the district and, unless
 17 expressly provided otherwise, has all of the duties and
 18 responsibilities of the township trustee with regard to the provision
 19 of township assistance in each township in the district.

20 (e) The township assistance board is the legislative body of the
 21 district and, unless expressly provided otherwise, has all of the
 22 duties and responsibilities of the township board with regard to the
 23 provision of township assistance in each township in the district.

24 (f) The following apply to the administration of township
 25 assistance under subsection (c):

26 (1) A suit or proceeding in favor of or against the county
 27 trustee concerning township assistance shall be conducted in
 28 favor of or against the district.

29 (2) The county trustee is subject to the same privileges and
 30 immunities as are accorded to a township trustee under
 31 IC 12-20-3.

32 (3) Each township assistance board member shall propose
 33 standards for the:

34 (A) issuance of township assistance; and

35 (B) the processing of applications for township assistance;
 36 within the township that the board member represents. The
 37 standards must meet the requirements of IC 12-20-5.5. The
 38 standards shall be adopted by a majority of the members of
 39 the township assistance board and filed with the county
 40 commissioners. The township assistance board may not
 41 amend a township's proposed standards unless the
 42 amendments are approved by the township assistance board
 43 member representing the township.

44 (4) The county trustee has the same powers in the
 45 administration of township assistance for each township in the
 46 county as a township trustee has in the administration of
 47 township assistance for a township under IC 12-20-4,
 48 IC 12-20-5, IC 12-20-15, IC 12-20-16, IC 12-20-17,

1 **IC 12-20-18, and IC 12-20-19.**

2 **(5) The same standards and requirements that:**

3 **(A) apply to; or**

4 **(B) may be imposed upon;**

5 **recipients of and applicants for township assistance under**
 6 **IC 12-20-6, IC 12-20-7, IC 12-20-8, IC 12-20-9, IC 12-20-10,**
 7 **IC 12-20-11, IC 12-20-12, and IC 12-20-13 apply to or may be**
 8 **imposed upon recipients of and applicants for township**
 9 **assistance administered by the district.**

10 **(6) The county trustee may assert a claim against the estate of**
 11 **an individual who received township assistance from the**
 12 **district to the same extent as a township trustee may assert a**
 13 **claim under IC 12-20-27 against the estate of an individual**
 14 **who received township assistance from a township.**

15 **(7) The county trustee is subject to the same reporting**
 16 **requirements with respect to township assistance**
 17 **administered in each township in the county as a township**
 18 **trustee is subject to under IC 12-20-28 with respect to the**
 19 **trustee's township.**

20 **(8) The county trustee, a board member, or an employee of**
 21 **the district is subject to the criminal penalty set forth in**
 22 **IC 12-20-7-6 for disclosure of information.**

23 **(g) Any application for township assistance for which the**
 24 **township has not entered a final decision regarding the granting or**
 25 **denial of township assistance by the close of business on December**
 26 **31, 2010, shall be treated as a new application filed with the district**
 27 **on January 1, 2011. The county trustee shall make a decision on the**
 28 **application in accordance with the standards adopted under**
 29 **subsection (d)(3).**

30 **(h) Any application for township assistance that has been**
 31 **granted before January 1, 2011, but for which assistance has not**
 32 **been disbursed by the township, shall be disbursed and**
 33 **administered by the district in accordance with the township's**
 34 **grant of township assistance."**

35 Delete pages 22 through 23.

36 Page 24, delete line 1.

37 Page 51, delete lines 39 through 42, begin a new paragraph and
 38 insert:

39 "SECTION 50. IC 36-6-1.2 IS ADDED TO THE INDIANA CODE
 40 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2008]:

42 **Chapter 1.2. Abolishment of Township Government in a County**
 43 **Having a Consolidated City**

44 **Sec. 1. As used in this chapter:**

45 **(1) "city-county council" means the legislative body of a**
 46 **consolidated city; and**

47 **(2) "district" refers to a township assistance district.**

48 **Sec. 2. (a) The city-county council may adopt an ordinance,**

approved by the mayor of the consolidated city, to abolish all township governments in the county and transfer the duties and powers of the township governments to the consolidated city, the county, and the district on January 1, 2011. An ordinance adopted under this chapter does not affect the following:

(1) The office of township assessor.

(2) Transfer of the duties and responsibilities of the township trustee and township board with regard to fire protection and related services to the county.

(3) Abolishment of township small claims courts.

(b) An ordinance adopted under this chapter to abolish township governments must specify the departments or agencies of the consolidated city that shall assume the duties and powers of the townships other than the duties and powers related to township assistance.

(c) The duties and powers of the townships related to township assistance are transferred to the district.

(d) The duties and powers of the:

(1) township trustees related to township assistance in each township are transferred to the county trustee; and

(2) township boards related to township assistance in each township are transferred to the township assistance board.

Sec. 3. The clerk of the city-county council shall submit a certified copy of any ordinance adopted under this chapter to the secretary of state, the department of local government finance, the department of state revenue, and the state board of accounts.

Sec. 4. The following occur on January 1, 2011, if township governments are abolished under this chapter:

(1) The office of township trustee of the township is abolished.

(2) The township board of the township is abolished.

(3) The functions, duties, and responsibilities of the township trustee, other than the functions, duties, and responsibilities of the township trustee and of the township board of the township that are transferred under IC 36-6-1.1 or another statute, are transferred to the county.

Sec. 5. Except as provided in IC 36-6-1.1 or another statute, all:

(A) assets;

(B) property rights;

(C) equipment;

(D) records;

(E) personnel (except as otherwise provided by statute);

and

(F) contracts;

connected with the operations of a township (except for the operations of the office of township assessor) are transferred to the county on January 1, 2011, if an ordinance is adopted under this chapter.

Sec. 6. Beginning January 1, 2011, notwithstanding any other

1 law to the contrary, if an ordinance is adopted under this chapter,
 2 a township's monthly distributive share of any county option
 3 income taxes is reduced to zero (0), and those county option income
 4 taxes shall instead be distributed as additional distributive shares
 5 to the county and the district.

6 **Sec. 7. (a) If an ordinance is adopted under this chapter:**

7 (1) the balance on January 1, 2011, in a debt service fund of
 8 a township established to pay obligations unrelated to
 9 township assistance:

10 (A) is transferred to the county in which the township is
 11 located; and

12 (B) shall be used by the county to pay indebtedness or lease
 13 rentals for which the fund was established; and

14 (2) the balance on January 1, 2011, in a debt service fund of
 15 a township established to pay obligations related to township
 16 assistance:

17 (A) is transferred to the district; and

18 (B) shall be used by the district to pay indebtedness for
 19 which the fund was established.

20 (b) Any balance remaining in a debt service fund after all
 21 payments for indebtedness or lease rentals required under this
 22 section have been made is transferred to the county general fund.

23 **Sec. 8. (a) If an ordinance is adopted under this chapter, on**
 24 **January 1, 2011, the balance in a township's general fund**
 25 **attributable to the duties of the township trustee under IC 36-6-4-3,**
 26 **other than the duties transferred under IC 36-6-1.1, is transferred**
 27 **to the county.**

28 (b) The department of local government finance shall determine
 29 the amounts to be transferred under subsection (a).

30 (c) IC 36-1-8-5 does not apply to a balance referred to in
 31 subsection (a).

32 **Sec. 9. (a) If an ordinance is adopted under this chapter, the**
 33 **balance in a township's township assistance fund attributable to**
 34 **the duties of the township trustee on January 1, 2011, is**
 35 **transferred to the township's township assistance fund established**
 36 **under IC 12-14-30.**

37 (b) The department of local government finance shall determine
 38 the amounts to be transferred under this section.

39 (c) IC 36-1-8-5 does not apply to a balance referred to in this
 40 section.

41 **Sec. 10. (a) If an ordinance is adopted under this chapter:**

42 (1) the county containing a consolidated city shall assume,
 43 defease, pay, or refund all indebtedness of the township other
 44 than indebtedness related to fire protection services or
 45 township assistance:

46 (A) using the same procedures; and

47 (B) subject to the same restrictions;

48 that apply to a consolidated city assuming, defeasing, paying,

1 or refunding under IC 36-3-1-6.1(e) all indebtedness of the
2 township related to fire protection services; and

3 (2) subject to subsection (b), the district shall assume, defease,
4 pay, or refund all indebtedness of the township related to
5 township assistance.

6 (b) If the district imposes property taxes for the purpose of
7 subsection (a)(2), the district may impose the taxes only in the
8 township that created the indebtedness.

9 **Sec. 11. If an ordinance is adopted under this chapter:**

10 (1) the maximum permissible ad valorem property tax levy of
11 the township, the consolidated city, and the county are
12 adjusted; and

13 (2) the maximum permissible ad valorem property tax levy of
14 the district is established;

15 **under IC 6-1.1-18.5-22."**

16 Delete pages 52 through 53.

17 Page 54, delete lines 1 through 6.

18 Renumber all SECTIONS consecutively.

(Reference is to SB 280 as reprinted January 23, 2008.)

Senator MERRITT